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Poultry and Products

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Report Highlights:
Recent market developments appeared to limit prospects for Thailand's broiler industry in 2006 and 2007. Exports, which have been a main engine driving production growth, have been stagnant during this time due to limited exports to the EU and Japan. Expansion in broiler production, accordingly, will be driven by domestic consumption only.

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Table of Content

Summary

Recent market developments limit prospects for Thailand's broiler industry in 2006 and 2007. The exports, which have been a main engine driving production growth, have been stagnant during this time due to limited exports to the EU and Japan. Expansion in broiler production, accordingly, will be driven by domestic consumption only.

Although HPAI, which remains a huge problem for Thailand, has not affected broiler production directly, it has hurt the broiler industry in terms of reducing their ability to export raw (uncooked) meat. Consumption dipped as consumers negatively responded to the news of HPAI-related casualties.

Trade barriers in the EU market play an important role in limiting Thai exports in 2006 and 2007. These barriers include: (1) the recent EU directive to prolong the ban on raw (uncooked) poultry products into the EU from Thailand and other HPAI affected Asian countries until 2007; and (2) the new EU directive to replace a current tariff schedule with a tariff-rate-quota system, which will be translated to limit import volume from exporting countries including Thailand.

Thailand has struggled to export raw or uncooked chicken products to major markets like the EU and Japan and has been negotiating with these two countries to accept the compartmentalization concept recently initiated by the OIE. To date, there has been no significant progress in the negotiations thus far.

Section I: Situation and Outlook

Production

Production Trend

Thailand's broiler meat production in 2007 is forecast to grow 5 percent over the 2006 level. The growth is relatively low compared to 2005 and 2006 because broiler exports are likely to stagnate in 2007 while domestic consumption registers slow growth.

The estimate of broiler production for 2006 has been also revised downward reflecting the fact that nearly all integrated broiler producers are cooperating to reduce their chick production in late 2006. Trade sources reported that chick production in the first half of the year increased sharply from 17-18 million birds per week in late 2005 to 19-21 million birds per week. However, prices for chicks and broilers slipped down quickly when the export demand and domestic consumption was not able to absorb significantly increased chick production. In July 2006, a group of integrated broiler producers called for a meeting and agreed to control chick supplies. Their target is to reduce a weekly chick production from about 21 million birds in July to average 18 million birds per week. The production control began in effect from September 2006.

Oversupply of chicks began in 2006 when Thai integrated broiler producers increased their imports of grandparent-stock (GPS) and parent-stock (PS) chicks in 2005 in response to a recovery in both domestic and overseas market for Thai broiler meat in 2005. The Department of Livestock Development (DLD) reported that Thailand's breeding chick stocks increased sharply by 40 percent from 6.56 million birds in 2004 to 9.18 million birds in 2005.

Production Costs

Production costs of live broiler in 2007 are forecast to be close to 28-29 baht/kg (35-36 cents/pound).

Trade sources reported that the average live broiler production costs in the first seven months of 2006 (Jan-Jul) rose by 3-5 percent from the same period of 2005 due mainly to increasing prices for corn (up 9 percent in the first seven months), which accounts for 50-60 percent in poultry feed ration, and higher expenses on labor and transportation costs. The current average production costs in the first 7 months of 2006 (Jan-Jul) are 28.00 baht/kg (35 cents/pound), which is derived from day-old chicks (5.00 baht), feed (18.50 baht), vaccination and drugs (1.00 baht), and labor and other costs (3.50 baht), respectively.

HPAI and Broiler Production

High Pathogenic Avian Influenza (HPAI), H5N1 type, has hit Thailand periodically since January 2004. There are no reports of HPAI-caused death in broiler farms since the reoccurrence of the disease in July 2006. Both relevant government offices and integrated broiler processors claimed that the broiler farms, especially broiler farms belonging to integrated producers, have never been infected by the HPAI thus far. They believed that prevailing stringent biosafety surveillance and controls has effectively prevented their farms from disease contacts.

Although HPAI has no direct impact on broiler production, it severely affected the Thai broiler industry. For instance, the first hit by HPAI in 2004 defamed the Royal Thai Government (RTG)'s transparency over the handling of the HPAI. The Ministry of Agriculture and Cooperatives (MOAC) announced the first HPAI case in poultry after the Ministry of Public

Health (MOPH) confirmed a human causality relating to HPAI. During this time, the disease spread to 89 districts in 42 provinces (out of 76 provinces of Thailand) and the RTG urgently launched a stamping-out campaign to depopulate poultry up to 20 million birds in the first wave of the HPAI from Januray-July 2004. Although nearly all depopulated animals were not broilers, a lack of confidence led both exports and domestic consumption of chicken meat to drop sharply in 2004. The broiler production was reduced by 32 percent accordingly. It is also estimated that integrated chicken operations in Thailand lost about 5.0-6.0 billion baht (US$ 137 million) in 2004.

HPAI and Vaccination

The RTG has prohibited the vaccination of poultry against Avian Influenza. However, the RTG is unlikely to enforce its regulation effectively. It is widely rumored that several poultry raisers, especially layer farmers and fighting cock breeders, have used smuggled vaccines obtained from China and Hong Kong. Nevertheless, the Minister of Agriculture and Cooperatives recently said that Thailand would continue with its plan to avoid vaccination and control the disease through segregation and stamping out. The Thai Food and Drug Administration (FDA) recently reported that the agency arrested several vaccine smugglers from 2004-2005, confiscating 1.525 million doses of illegal HPAI vaccines for animal.

HPAI Situation and Disease Surveillance and Control

1) *Current Situation: The Fourth Wave*

The RTG reported to the OIE on April 6, 2006, that Thailand elapsed 140 days free of HPAI since the last case on November 9, 2005. The reappearance of the disease, however, was reported when the first case of human H5N1 infection was confirmed on July 24, 2006. On the same day, the Ministry of Agriculture and Cooperatives (MOAC) reported to the OIE to confirm HPAI animal infection to about 30 birds of poultry in Phichit Province, north of Thailand. Several media outlets have reported suspicious poultry deaths in nearby provinces, including Phitsanuloke and Uttaradit. On July 29, the Ministry confirmed another HPAI outbreak in Nakhon Panom Province, northeastern of Thailand.

Department of Livestock Development (DLD), MOAC, reacted immediately to the outbreaks by imposing several disease surveillance and control measures. The measures include:

- Depopulate all poultry at infected premises, with 75 percent of market prices compensated to affected farmers;
- Disinfection of affected premises, all infected or contaminated materials and high-risk areas;
- Screening by cloacal swab sampling in a 5-kilometers radius of the infected farm; and
- Control movement in a 10-kilometers radius of the infected farm;
- Implement a week of intensive screening and control (called X-ray campaign) from August 7-14, 2006 in 29 HPAI-risk Provinces. These provinces include Bangkok, Sing Buri, Ang Thong, Ayutthaya, Nonthaburi, Suphan Buri, Chai Nat, Pathumthani, Lop Buri, Chachoengsao, Nakhon Nayok, Prachin Buri, Samut Prakan, Chaiyaphum, Nakhon Ratchasima, Udon Thani, Nahkon Panom, Kalasin, Khon Kaen, Phichit, Kamphaeng Phet, Nakhon Sawan, Phetchabun, Phitsanulok, Uttaradit, Sukhothai, Uthai Thani, Nakhon Pathom, and Kanchanaburi.
- Ban poultry imports from neighboring countries, including Laos, Cambodia, Burma, Malaysia, Indonesia, and Viet Nam.

2) *The Previous Three Waves of Outbreaks*

The First Wave

The first wave of the outbreak was officially announced on January 23, 2004 while the public was suspicious that HPAI first hit Thailand in November 2003. The wave officially ended as of May 24, 2004. The RTG struggled to minimize the damage caused by avian influenza on animal and human health in the country as well as mitigate damage to the country's economic growth (resulting from import suspensions and heavily reduced domestic consumption). The RTG set up four guidelines, including:

The Ministry of Agriculture must inspect all poultry farms across the country and contain the disease outbreak according to established international standards;
The Ministry of Public Health must promptly educate people to better understand the situation and build confidence in the safety of public health;

The Ministry of Commerce must promptly conduct negotiations with the governments of buying countries which have banned or suspended the imports of Thai chicken meat to relieve the export problem; and

The Ministry of Foreign Affairs will host an international meeting with ministers or high-level officials from other Asian countries and major buying countries (like the EU and Japan) to brainstorm on proper measures to cope with poultry disease outbreak.

The Department of Livestock Development (DLD) outlined its emergency response for the HPAI outbreak. The operations, a "Stamping-Out" campaign, in the first wave of the outbreak were:

- Pre-emptive culling: Once any poultry farm/area is confirmed positive for HPAI disease, an area within a 5-kilometer radius from an infected farm/premise would be declared a "Control Zone". All chicken and other poultry animals in a control zone will be depopulated, followed by disinfection of the area.
- Surveillance during the outbreak: The area within 50 kilometers from the infected farm/area would be declared a "surveillance zone", that is subject to intensive surveillance. All poultry animals in any positive farms in this zone would be depopulated and the area would be disinfected.
- Movement control: Movement of avian species from the area within a 10-kilometer radius from an infected farm/premise would be prohibited for 30 days until no other H5N1 is detected in that area.
- Public awareness campaign: Information, recommendations and guidelines were distributed to facilitate cooperation and create better understanding from industry and the community.
- Post-outbreak operations: The DLD would launch operations of tracing and monitoring as a surveillance process after eliminating the last known contaminated poultry population:
- Tracing: Surveillance would be carried out for 5 months to confirm disease-free status of that area after repopulation of the affected areas,
- Monitoring: The DLD would conduct both active and passive surveillance for HPAI to obtain epidemiological information for future prevention and control after disease-free status is assured.

The official cumulative figures of the first HPAI outbreak in Thailand from January 23 to July 2, 2004 were 190 flocks in 89 Districts of 42 Provinces. The affected population included native chickens (58.5%), layers (12.4%), broilers (11.9%), ducks (6.7%), quail (4.7%), turkeys (1.6%), peacocks (1.0%), geese (0.5%) and others (2.6%). There were 12 human cases with 8 deaths during HPAI outbreak (H5N1 subtype) in February and March 2004.

The Second Wave

The RTG announced the second wave of the outbreak on July 3, 2004, following its finding of a suspicious case in a layer farm in Ayutthaya Province. The official cumulative figures of the second wave of HPAI outbreak from July 3, 2004 to April 12, 2005 were 1,542 flocks 264 Districts of 51 Provinces. The affected population included native chickens (57.0%), layers (4.63%), broilers (5.23%), ducks (29.2%), quail (2.0%), and others (1.9%).

The Third Wave

The RTG announced the third wave of the outbreak on July 3, 2005. Due to stringent disease surveillance and control and improved cooperation from small farmers in reporting disease, the incidence has been less than the first two waves of the outbreak. According to the Department of Livestock Development (DLD), the cumulative figures for HPAI outbreaks in Thailand from July 1, 2005 to January 18, 2006, totaled 75 flocks in 11 provinces.

The affected provinces include Ang Thong, Ayutthaya, Chai Nat, Kalasin, Kamphaeng Phet, Kanchanaburi, Nakhon Phathom, Nonthaburi, Samut Prakarn, Saraburi, and Suphan Buri. Nearly all of the affected populations belong to native chickens, ducks, and layering quails and chickens. Stamping-out measures have been applied to affected premises. There have been no reports of HPAI infection in commercial poultry operations, and as such, culling has been limited to small household flocks with relatively few animals.

3) The Country's HPAI Disease Surveillance and Control Measures

Active, intensive surveillance continues across the country since July 2004 in all provinces. Any premises with animals exhibiting clinical signs of HPAI will be depopulated and disinfected. The owner of the farm will be compensated for depopulated animals up to 75 percent of the market value. Samples are taken from the farm for disease testing. If H5N1 is confirmed, the area within a 5-kilometer radius of the infected farm will be established as a "Control Zone". Cloacal swabs are taken from every flock in the protection zone for viral isolation. If H5N1 is confirmed by the lab test, the particular premises will be depopulated and disinfected and another 5-kilometer radius protection zone will be established. In addition, the areas within a 10-kilometer radius of the infected farm are established as a "Movement Restriction Zone". Any movement of poultry from the zone is prohibited for 30 days until no other H5N1 is detected in that area

Reports of disease incidents indicate that nearly all cases belong to free-range duck farms, fighting cocks, and poultry being raised on farms with insufficient sanitation and biosecurity. Therefore, several poultry experts viewed that the disease eradication is not possible unless more efforts should be placed on controlling the movement of ducks, fighting cocks, and unorganized small poultry farms.

As a result, the RTG now requires registration of free-range poultry farms (especially ducks), fighting cock owners, and fighting cock stadiums. However, the regulation has not been enforced well thus far due to a lack of cooperation from farmers. According to MOAC, Thailand has an estimated 1 million fighting cocks, but less than 50,000 are registered.

The RTG recently encouraged farmers of free-range ducks to raise ducks in barns, instead of free ranging, by ordering the government Bank for Agriculture and Agricultural Cooperatives (BAAC) to provide cheap loan (about 2 percent annual interest rate) to these farmers for barn construction.

Consumption

Domestic chicken meat consumption in 2007 is forecast to continue to increase due to increasing consumer confidence in the safety of cooked chicken meat among Thai consumers and relatively competitive prices of chicken meat against other meats.

Once the media reported about the reappearance of HPAI and related human death in late July 2006, consumers reacted immediately by reducing their poultry consumption. However, a reduction in poultry consumption is expected to only last around two months. Trade sources estimated that chicken meat consumption in August and September would drop by 20-25 percent from the June level. Broiler meat consumption in 2006 is estimated to increase from the 2005's level to 780,000 tons, which is close to the 2003 record of 775,000 tons, a year prior to the occurrence of HPAI in Thailand.

Average domestic prices for live broilers in the first 7 months (Jan-Jul) of 2006 dropped by 11 percent over the same period of 2005 to 27.29 baht/kg (approx. 33 cents/pound) due mainly to a surplus in live broiler supply. Average retail prices for chicken boneless breast meat in Bangkok in 2005 (Jan-Jul) rose 11 percent to 69.43 baht/kg (84 cents/pound) over the 2005 level.

Trade

Export Trend

Thai broiler meat exports in 2007 are forecast to remain relatively flat at around 280,000 tons as Thailand still struggles with their ability to maintain export markets. While Japan may continue to import more cooked chicken meat from Thailand in 2007, the EU market may drop following its protective practices (see *Export Limitations* below).

Thailand's chicken meat exports in 2006 should reach at 280,000 tons based on the export figures from Jan-Jul 2006, which is close to the exports in 2005. According to the Thai Broiler Processing Exporter Association, total chicken meat exports in the first 7 months (Jan-Jul) increased by 10.7 percent over the same period in 2005. The outlook for exports during August-December 2006 however, is likely to drop following recent legislation from the EU and a lack of growth in Japanese market. In 2006 (Jan-Jul), Japan is the largest importer of Thai chicken meat accounting for 53 percent of total exports in volume, followed by the EU countries (42 percent), and others (5 percent).

Chicken meat exports in 2005, all cooked products, grew significantly (25 percent) over the 2004 level, mainly because of the market value of Thai cooked products (in terms of quality and prices) over such other competitors as China and Brazil and because of the ability of Thai producers to increase cooked product supplies quickly.

Trade sources foresee that these total exports will likely continue to be cooked products as import prohibitions on Thai uncooked chicken continue. The EU, Japan, South Korea, Singapore, and Hong Kong will remain major buyers of Thai cooked chicken meat products.

Export Prices and Products

There are no export price quotations on basic uncooked items such as boneless leg (BL) and skinless boneless breast (SBB) from Thailand. Trade sources reported that price quotations in 2006 are almost the same as those in 2005. The C&F price quotations for cooked products are in a wide range of US$ 2,800-4,000/ton. Prices for fried box-shape-cut boneless leg, one of the basic cooked products, are currently US$ 2,800-3,000/ton. Meanwhile, prices for high value-added items, such as grilled seasoned boneless meat in stick, are very profitable at US$ 3,500-4,000/ton. However, export prices may be slightly lower for shipments in the second quarter of 2006 as Brazilian chicken meat exporters are reportedly reducing the prices for uncooked products and compete directly with Thailand in both the EU and Japanese markets. Cooked chicken products are normally made-to-order meat products that are processed or prepared by heat (such as grilling, steaming, boiling, etc.). Some of these cooked meat products are puffed or seasoned (with salt, Japanese sauce, etc.).

Export Limitations from Importing Countries

1) The EU's Trade Barriers

Trade barriers that the EU has adopted to protect their domestic chicken industry are likely to limit Thai chicken meat exports to the EU in 2007.

Shortly before the HPAI outbreak reoccurred in July 2006, the EU announced they would prolong the ban on raw (uncooked) poultry products from Thailand and other HPAI affected Asian countries until 2007.

Secondly, the EU announced their plan to impose a new import system for three kinds of poultry products, including salted chicken meat, cooked chicken meat, and turkey meat, on September 15, 2006. Under the new system, the EU will adopt a tariff-rate-quota (TRQ) administration for the mentioned products, instead of current import tariff schedule. Effective on September 15, 2006, the EU's in-quota tariff rates will be 15.4% for uncooked salted products, 10.9% for cooked products, and 8.5% for turkey meat, while out-of-quota tariff rate is extremely high at about 53% equally for all three items. Thus far, the EU has not released the volume of their tariff quota. It is rumored that the total quota will be close to 200,000 tons for the first year of implementation, and Thailand may receive about 100-120,000 tons. The Thai broiler industry is concerned that this quota volume is too rigid. A group of broiler farmers, possibly backed by the export-oriented chicken producers, protested in front of the EU office in Bangkok on August 18, 2006. The Ministry of Commerce (MOC) is in the process of negotiations with the EU authorities.

Some Thai poultry processors believed that this directive reflects the EU's effort to reduce chicken meat imports after the EU lost a battle at the World Trade Organization (WTO) to restrict the import of cheap frozen, salted chicken cuts from Thailand and Brazil through punitive tariffs. In June 2005, the WTO ruled that the EU's tariffs on salted chicken meat from the two countries were illegal and restrictive under the body's trade rules. However, trade sources said that this WTO rule would not benefit Thailand at the moment because the EU still bans Thai uncooked products in relation to an existence of HPAI in Thailand.

The issue began in 2002 when the EU reclassified prepared chicken products in its harmonized custom codes. Prior to that period, Thailand and Brazil exported chicken meat products under salted-item category (by mixing some salt in their chicken products) to enjoy the lower tariff of 15.4 percent, instead of paying US$ 1,000/ton tariff or 58.9 percent rate of duty for unsalted chicken meat. However, under the EU's new definition, salted chicken must contain 1.9-2.3 percent of salt and must be thoroughly marinated. These conditions made product unsuitable for regular human consumption and were considered as the EU's trade barrier to restrict imports from these two countries. As a result, Thailand and Brazil petitioned the case to the WTO in 2002.

2) Compartmentalization and Export Prospect

Thailand has made an effort to convince major importing countries, i.e., Japan and the EU, to accept the compartmentalization practice to let Thailand be able to export raw/uncooked chicken meat to these markets again, regardless the country status of Avian Influenza disease. The compartmentalization is a new concept, initiated by the World Animal Health Organization (OIE), which is based on the epidemiological consideration of livestock or on integrated production system. This concept is developed to facilitate safe and fair international trade. According to trade sources, there has not been significant progress in the negotiations thus far.

Stocks

The current carry over of broiler meat is in an acceptable level, about 1-2 months of total use.

Policy

Thailand's policy for the poultry industry has not changed from the latest report. Thailand does not conduct price support or export subsidy programs. Because of the HPAI outbreak, the Royal Thai Government (RTG) launched several measures to cope with the disease and to support the poultry industry, from small-scale farmers to integrated poultry processors. These measures include the HPAI Stamping-Out Campaign on poultry farms/areas, a compensation scheme for disease-affected farmers, fee exemptions for chicken slaughterhouses, and outreach to help unemployed workers/operators.

Thailand is a protected poultry market through the RTG's use of non-transparent controls on import permits (potential importers are unable to get them issued), high WTO bound rates of import tariff (currently 30 percent for chilled or frozen uncooked meat and 40 percent for cooked chicken meat), and a discriminatory import permit fee on uncooked products (approx. US$ 250/ton).

The Department of Livestock Development (DLD) occasionally does not comply with the OIE guidelines. For example, according to the OIE guidelines, there should not be any trade disruption for country affected by Low Pathogenic Avian Influenza (LPAI). Due to a report of LPAI occurrence in states of California, North California, and Missouri, the DLD's ban on uncooked poultry meat and products from these states has been still in place since March 2005. The DLD has not responded to FAS/Bangkok request to lift the ban yet.

In addition, the DLD, in September 2005, began implementing their requirement of auditing individual farm/slaughterhouse facilities in exporting countries wanting to export live animals and animal products to Thailand. No attempt was made to negotiate with the U.S. industry or USDA to discuss inspection visits prior to implementation. Although the DLD claimed that the requirements, which were issued in October 2000, had been waived until 2005, their immediate implementation severely affected the U.S. poultry trade, especially poultry breeding stocks and turkey meat. The USDA was successful in convincing the DLD to accept a "system audit" concept instead of DLD's desired "plant-by-plant" or "farm-by-farm" audit. However, the RTG agreed with the Thai broiler industry to temporarily waive the implementation of this requirement in order to avoid the disruption of Thai chicken meat exports.

Marketing and U.S. Opportunities

Thailand is a potential market for U.S. chicken parts (especially leg-quarters), mechanically deboned meat (MDM), and value-added chicken meat. Thai local consumers, like those in other Asian countries, prefer dark meat to white meat. Potential buyers for chicken parts and MDM should be food processors (sausage processors in the case of MDM) and supermarkets. Value-added chicken meat can also be introduced to modern retail markets and HRI industry. Thailand may import bone-in-leg meat for processing in Thailand and re-export it to such markets as Japan and non-EU countries. The current existence of the HPAI outbreaks in Thailand should offer opportunities for Thai processors to source raw material from the U.S. and add flavorings, treatments, and cook for re-export. However, the U.S. export opportunities of these chicken parts are currently hindered by Thailand's non-transparent controls on issuing import permits.

Thailand is a promising market for U.S. turkey meat. Due to lifting a ban on U.S. poultry in February 2005, the official imports of U.S. turkey increased tremendously from US$ 9,800 in 2004 to US$ 269,000 in 2005. The U.S. market share also boosted up from 31 percent in 2004 to 98 percent in 2005. The users of imported turkey meat are mostly fine hotels/restaurants and modern trade supermarkets in large cities.

Section II: Statistical Tables

Table 1: Thailand's PS&D Table for Poultry, Meat, Chicken – 16 wks.

PSD Table

Country	**Thailand**						
Commodity	**Poultry, Meat, Broiler**			(1000 MT)(MIL HEAD)			
	2005	Revised	2006	Estimate	2007	Forecast	UOM
	USDA Official [	Estimate[N	DA Official [	Estimate[N	DA Official [	Estimate[New]	
Market Year Begin		01/2005		01/2006		01/2007	MM/YYYY
Inventory (Reference)	0	0	0	0	0	0	(MIL HEAD)
Slaughter (Reference)	0	0	0	0	0	0	(MIL HEAD)
Beginning Stocks	140	140	74	63	54	53	(1000 MT)
Production	950	950	1100	1050	0	1100	(1000 MT)
Whole, Imports	0	0	0	0	0	0	(1000 MT)
Parts, Imports	0	0	0	0	0	0	(1000 MT)
Intra EC Imports	0	0	0	0	0	0	(1000 MT)
Other Imports	0	0	0	0	0	0	(1000 MT)
TOTAL Imports	0	0	0	0	0	0	(1000 MT)
TOTAL SUPPLY	1090	1090	1174	1113	54	1153	(1000 MT)
Whole, Exports	0	0	0	0	0	0	(1000 MT)
Parts, Exports	240	277	300	280	0	280	(1000 MT)
Intra EC Exports	0	0	0	0	0	0	(1000 MT)
Other Exports	0	0	0	0	0	0	(1000 MT)
TOTAL Exports	240	277	300	280	0	280	(1000 MT)
Human Consumption	756	730	820	770	0	810	(1000 MT)
Other Use, Losses	20	20	0	10	0	10	(1000 MT)
Total Dom. Consumption	776	750	820	780	0	820	(1000 MT)
TOTAL Use	1016	1027	1120	1060	0	1100	(1000 MT)
Ending Stocks	74	63	54	53	0	53	(1000 MT)
TOTAL DISTRIBUTION	1090	1090	1174	1113	0	1153	(1000 MT)
Calendar Yr. Imp. from U	0	0	0	0	0	0	(1000 MT)

Table 2: Wholesale Prices for Live Broilers in Bangkok

Country	Thailand		
Commodity	Poultry, Meat, Broiler		
Prices in	Baht	per uom	Kilogram
Year	2005	2006	% Change
Jan	30	34	13%
Feb	30	29	-3%
Mar	31	26	-16%
Apr	32	24	-25%
May	30	30	0%
Jun	30	23	-23%
Jul	31	25	-19%
Aug	36		-100%
Sep	38		-100%
Oct	39		-100%
Nov	30		-100%
Dec	31		-100%
Exchange Rate	37.7	Local Currency/US $	
Date of Quote	8/31/2006	MM/DD/YYYY	

Source: Department of Internal Trade, Ministry of Commerce

Table 3: Retail Prices for Skinless Boneless Broiler Meat in Bangkok

Prices Table

Country Thailand

Commodity Poultry, Meat, Broiler

Prices in Baht per uom Kilogram

Year	2005	2006	% Change
Jan	55	77	40%
Feb	55	74	35%
Mar	55	71	29%
Apr	55	71	29%
May	55	70	27%
Jun	55	62	13%
Jul	55	61	11%
Aug	55		-100%
Sep	55		-100%
Oct	55		-100%
Nov	55		-100%
Dec	55		-100%

Exchange Rate	37.7	Local Currency/US $
Date of Quote	8/31/2006	MM/DD/YYYY

Source: Department of Internal Trade, Ministry of Commerce

Table 4: Thailand's Broiler Meat Exports in 2005 (Jan-Dec)

Destination	Uncooked Meat	Further Processed	Total Exports
ASIA	**96**	**161,523**	**161,619**
Japan	0	149,079	149,079
Singapore	0	5,398	5,398
China	0	0	0
Hong Kong	0	3,493	3,493
South Korea	0	3,553	3,553
Malaysia	0	0	0
Vietnam	96	0	96
Others	0	0	0
EUROPE	**0**	**113,195**	**113,195**
The European Union	0	113,096	113,096
Belgium	0	1,415	1,415
Germany	0	9,751	9,751
Netherlands	0	23,818	23,818
Spain	0	346	346
United Kingdom	0	69,707	69,707
France	0	587	587
Others	0	7,472	7,472
Other Europe	0	99	99
MIDDLE EAST	**0**	**310**	**310**
Kuwait	0	95	95
Saudi Arabia	0	0	0
Dubai	0	100	100
Others	0	115	115
AFRICA	**0**	**54**	**54**
South Africa	0	54	54
Egypt	0	0	0
Others	0	0	0
CANADA	**0**	**1,415**	**1,415**
OTHERS	**0**	**41**	**41**
TOTAL	**96**	**276,538**	**276,634**

Source: Thai Broiler Processing Exporters Association

Table 5: Thailand's Broiler Meat Exports in 2005 and 2006 in the first 7 months (Jan-Jul)

Destination	2005	2006
ASIA	**87,109**	**91,372**
Japan	80,250	84,328
Singapore	2,585	3,776
China	0	0
Hong Kong	1,869	1,922
South Korea	2,405	1,274
Malaysia	0	0
Others	0	72
EUROPE	**56,010**	**67,555**
The European Union	55,951	67,551
Belgium	789	638
Germany	4,787	6,084
Netherlands	12,637	12,335
United Kingdom	32,993	43,980
France	223	147
Others	4,522	4,367
Other Europe	59	4
MIDDLE EAST	**147**	**0**
Kuwait	95	0
Saudi Arabia	0	0
Dubai	0	0
Others	52	0
AFRICA	**13**	**104**
South Africa	13	104
Egypt	0	0
Others	0	0
OTHERS	**702**	**1,262**
TOTAL	**143,981**	**160,293**

Source: Thai Broiler Processing Exporters Association

End of Report.